
San Bernardino Associated Governments ■ 1170 W. 3rd Street, 2nd Floor ■ San Bernardino, CA 92410-1715
■ www.sanbag.ca.gov ■ Contact: Jane Dreher, Public Information Officer ■ (909) 884-8276

IMMEDIATE RELEASE: November 26, 2008

SANBAG supports Governor's Economic Stimulus Plan to accelerate transportation construction projects

"Design-Build" process will allow transportation construction to start sooner

SAN BERNARDINO, CA – In an effort to boost California's economy and keep people working, Governor Schwarzenegger has proposed a strategy to accelerate transportation projects currently on the planning table and allow construction to begin sooner. The Governor's Economic Stimulus Plan calls for steps to expedite the release of Proposition 1B Transportation funds by permitting a "Design-Build" approach to construction, a process that can move projects forward faster and thus, stimulate the economy.

Design-build is a process that allows public agencies to contract with a general contractor to both design and build the project, as opposed to design-bid-build. On feasible projects, design-build offers single point responsibility, establishes fixed costs early, allows flexibility to tailor the scope of the project to the budget available, and allows projects to start approximately one year sooner. Design-build reduces both cost and time.

This is good news for San Bernardino Associated Governments (SANBAG), the county's transportation planning authority and council of governments. "SANBAG strongly supports the Governor's proposal, which could get funds that have already been allocated for transportation projects to feed into our area's economy sooner," stated SANBAG President Gary Ovitt, also a San Bernardino County Supervisor. "This proposal will not only create employment stimulus during this economic emergency, but will help complete critical transportation infrastructure improvements in the State."

Proposition 1B, approved by voters in November 2006, authorized \$19.9 billion in general obligation bonds to improve California's transportation infrastructure. The object of the Governor's proposal is to put this

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money to work building the projects for which it was intended, sooner rather than later.

“In San Bernardino County alone, the California Transportation Commission (CTC) has approved the allocation of \$239.9 million in Prop 1B funds to SANBAG for Trade Corridor Improvement Funds (TCIF) projects,” reported SANBAG Executive Director Deborah Barmack. “This includes funds to rebuild three interchanges on the I-10 freeway, construct seven new grade separations (railroad crossings), and redesign and build the Devore Interchange where the I-15 and I-215 freeways intersect. Prop 1B also includes funds for the Congestion Mobility Improvement Account (CMIA), of which San Bernardino County has been approved to receive \$175.8 million toward projects. To get transportation projects from planning to the construction stage is a lengthy process. Expediting this by using the design-build process is beneficial for everyone involved.”

SANBAG has long supported the design-build process as a way to get projects completed faster, but legislation was never finalized by the California State Legislature.

“Right now, there are at least three feasible projects for which we could implement the design-build process,” explained SANBAG Director of Freeway Construction Garry Cohoe. “The I-10/Citrus Interchange in Fontana, the I-215/I-15 Interchange in Devore, and the Palm Grade Separation in north San Bernardino are projects that could qualify for design-build. Projects must be at a certain stage with environmental studies near completion.”

These three projects alone would pump more than \$460 million into the county’s economy, about \$152 million of which are Prop 1B TCIF funds, with the remainder coming from a variety of other federal, state and local funding sources.

“These projects represent a substantial boost to our area’s economy, in addition to other transportation projects, such as rail, transit, freeway and bridge projects that are currently in construction or ready to start soon,” added Cohoe. “There are advantages to this process because we get the builder involved in the design process, can better control costs, and deliver projects faster.”

The Governor’s Economic Stimulus Plan involves specific proposals that will accelerate more construction and procurement activities by the end of December 2009.